

STATE OF KANSAS

DEPARTMENT OF HEALTH AND ENVIRONMENT
CURTIS STATE OFFICE BUILDING
1000 SW JACKSON ST., SUITE 540
TOPEKA, KS 66612-1368



PHONE: (785) 296-1500
FAX: (785) 559-4269
WWW.KDHEKS.GOV

GOVERNOR JEFF COLYER, M.D.
JEFF ANDERSEN, ACTING SECRETARY

Memorandum

Date: April 3, 2019

From: Mandy Patek, Financial Assurance Auditor

To: Owners and/or Operators of Solid Waste Permitted Facilities

Subject: Adjusting Cost Estimates and Financial Assurance for Inflation – **2018 Inflation Rate 2.3%**

K.A.R. 28-29-2101(f) states the owner or operator shall update the financial assurance amount by recalculating the cost of closure, post closure care, or both, using current dollars or by the addition of an inflation factor to the amount accepted by the department for the prior year.

If the inflation factor is used, the cost estimate(s) and financial assurance shall be adjusted according to the following formula:

$$(IPD_y / IPD_{y-1}) \times FA_{y-1} = FA$$

Where:

IPD_y represents the current annual implicit price deflator for the gross domestic product;

IPD_{y-1} represents the previous year's implicit price deflator for the gross domestic product;

FA_{y-1} represents the previous year's approved estimate of closure or post closure, or both; and

FA represents the current estimated cost of closure or post closure, or both.

The Implicit Price Deflator (IPD) for Gross Domestic Product (GPD) is a measure of the change in prices of all new, domestically produced, final goods and services. The U.S. Department of Commerce, Bureau of Economic Analysis publishes these factors on a quarterly and annual basis. The factors are available in Table 1.1.9 Implicit Price Deflators for Gross Domestic Product (Table 1.1.9 Attached).

The current annual deflator for 2018 is 110.389.

The current annual deflator for 2017 is 107.948.

Table 1.1.9. Implicit Price Deflators for Gross Domestic Product

[Index numbers, 2012=100]

Last Revised on: February 28, 2019 - Next Release Date March 28, 2019

Line		2017	2018
Line			
1	Gross domestic product	107.948	110.389
2	Personal consumption expenditures	106.073	108.231
3	Goods	94.632	95.279
4	Durable goods	89.136	87.650
5	Nondurable goods	97.437	99.299
6	Services	111.984	114.955
7	Gross private domestic investment	105.360	107.824
8	Fixed investment	105.939	108.223
9	Nonresidential	101.962	103.153
10	Structures	113.120	117.266
11	Equipment	97.183	97.201
12	Intellectual property products	101.294	102.359
13	Residential	123.495	130.449
14	Change in private inventories	—	—
15	Net exports of goods and services	—	—
16	Exports	95.923	99.385
17	Goods	90.490	93.779
18	Services	108.084	111.929
19	Imports	88.511	91.211
20	Goods	85.761	88.280
21	Services	102.835	106.470
22	Government consumption expenditures and gross investment	107.797	110.845
23	Federal	105.753	107.500
24	National defense	104.209	105.516
25	Nondefense	108.188	110.589
26	State and local	109.155	113.016
Addendum:			
27	Gross national product	107.903	—